

SECRET

SAPC-22852
Copy 2 of 3
3 January 1958

Dear Dean:

Reference your CMCC Doc. No. 151X5.905 dated 26 December 1957 which forwarded two signed copies of Contract No. A-103 and also requested certain changes to the Contract.

Transmitted herewith are revised pages numbers 4, 5, 6 and 7 of the Schedule and page number 9 of the General Provisions, one copy each, for insertion into your copy of the Contract. It is requested that the rescinded pages be returned to us for destruction.

Sincerely,

Dan

Enclosures:
As Listed

Distribution:
Orig - R-W
2 - A-103
3 - Proj. Chrono

LMW:lmw (1/3/58)

DOCUMENT NO. 19
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AUTH: HP TO 2
DATE 141281 REVIEWER: 010856


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Contract No. A-103

SCHEDULEPART I - SERVICES TO BE FURNISHED

a. General: The Contractor shall, during the period set forth in Part III of the Schedule, furnish and supply to the Government all field engineering, and technical representatives labor necessary for the field support and evaluation of special electronic Systems One, Two, Three, Four, and Three-Channel and Fourteen-Channel Data Reduction Equipment. This field engineering shall be in support of overseas operations. The estimated services shall include, but will not be limited to, the following:

CUSTOMER NO. 1

<u>System</u>	<u>Type Service</u>	<u>Period</u>	<u>Man Months Overseas</u>
1 & 3	Engineer & MTS	1 July - 31 Dec. 56	
	Engineer & MTS	1 Jan. - 30 Jun. 57	
	Engineer	1 July - 30 Dec. 57	
	Technicians	1 July - 31 Dec. 56	
		1 Jan. - 30 Jun. 57	
		1 July - 31 Dec. 57	
4	Engineer & MTS	1 July - 31 Dec. 56	
	Engineer & MTS	1 Jan. - 30 Jun. 57	
	Engineer	1 July - 31 Dec. 57	
	Technicians	1 July - 31 Dec. 56	
		1 Jan. - 30 Jun. 57	
		1 July - 31 Dec. 57	

25X1A

2 Services charged cover all work performed on this System prior to 1 April 1957. Subsequent charges are to be assessed against Customer No. 2.

CUSTOMER NO. 2

Services to be rendered cover any work performed for this customer after 1 April 1957 (particularly, System II). It further includes charges for work performed during Fiscal 1958 until a separate contract is negotiated with another activity. Contractor to furnish a statement of dollars expended to 30 June 1957 for this customer and from 1 July 1957 until another contract is negotiated.

b. Assignment of Personnel: The assignment of technical representatives will be substantiated by the execution of an Agreement of Employment which shall designate the effective date of said assignment. The basic form of the Agreement of Employment shall be mutually agreeable to the Government and the Contractor.

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c. Transportation: Transportation provisions are set forth in clause 21(s) of the General Provisions.

d. Supervision: Contract technical services personnel shall at all times be recognized as employees of the Contractor and under his administrative control. However, the Contractor and contractor personnel shall, in the performance of services hereunder, be guided by and comply with the directions and requirements of the Project Base Commander or his authorized representative, under whose authority said services shall be performed in a satisfactory manner.

e. Reports: Contractor personnel shall keep the Contractor fully informed as to maintenance problems by suitable internal reports. Upon request of the Contracting Officer the Contractor will furnish summary reports regarding maintenance problems to such person(s) as are designated by the Contracting Officer.

f. Privileges: Assigned contract technical services personnel will be given certain privileges to the extent authorized other individuals assigned to a Project Base including but not limited to the following:

- (1) Necessary medical and dental care for the Contractor's personnel at no charge to the Contractor in the event that commercial medical or dental facilities are not available to the Contractor's personnel.
- (2) The Government will supply to the Contractor's personnel performing services under this contract suitable quarters and rations during the time they are required to remain on duty at no cost to the Contractor or the Contractor's personnel. In the event suitable Government quarters and rations are not furnished, Contractor's personnel will be paid a reasonable per diem allowance directly by the Government. When approved by the Contracting Officer, Contractor furnished per diem plus applicable G&A shall be reimbursed by the Government. Applicable G&A shall be that G&A used in the man-month rate for that period.
- (3) Provisions concerning vacation, local, sick and emergency leave are set forth in Part II of the Schedule.

g. Replacement of Personnel: The Contractor shall furnish a contract technical services employee, as mutually agreed upon between the parties hereto, during the vacation or emergency leave period of the

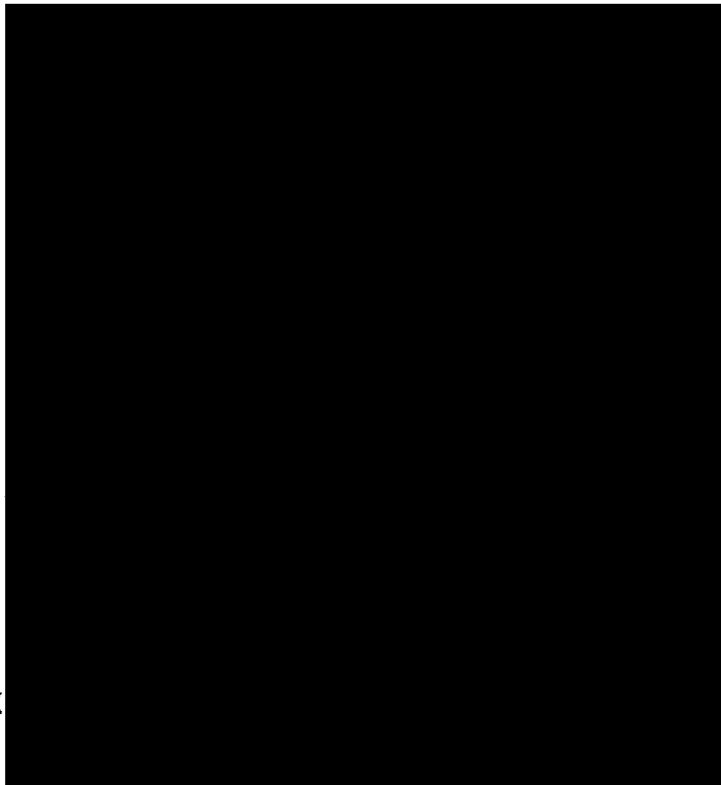
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regularly assigned employee if requested by the Government, or if the regularly assigned employee becomes incapacitated, dies or otherwise is unable to complete performance hereunder. Replacement personnel shall be reimbursed at the applicable rate as set forth in Part II.

PART II - CONSIDERATION AND PAYMENT

a. Contract Price: The Government shall pay the Contractor, in accordance with Clause 4 of the General Provisions upon satisfactory performance of this contract, and upon the submission of properly certified invoices or vouchers therefor, as full payment for the services to be supplied by the Contractor hereunder, as follows:



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Type/Service	Rate/Man. Day
Engineer	
Technician	
(b) Period - 1 January - 31 June 1957	
Engineer	\$
Technician	
Field Engineering Supervisors or MTS	
(c) Period - 1 July - 31 December 1957	
Engineer	
Technician	
Field Engineering Supervisors or MTS	
(3) Transportation:	
Reimbursement for the cost plus applicable G&A of approved transportation furnished by the Contractor in accordance with the general provisions of this contract. The applicable G&A shall be the G&A used in computing the man-month rate for the period.	

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b. Amount Allocated to Contract: There has been allotted for this contract the total amount of [REDACTED] for the period 1 July 1956 through 30 June 1957, and [REDACTED] for the period 1 July 1957 through 31 December 1957. If, at any time, the Contractor has reason to believe that by reason of the performance by it of this contract the amount due to it will exceed the sum allotted to this contract, it shall notify the Contracting Officer to that effect. Notwithstanding any other provision of this contract, the Contractor shall not be obligated to furnish any services pursuant to this contract if, in the best judgment of the Contractor, the cost of such services will exceed the amount then allotted to this contract. The Government shall not be obligated to pay the Contractor under this contract any amount in excess of the sum allotted.

c. Processing of Invoices for Payment: Invoices shall be submitted and processed for payment in accordance with Clause 4 of the General Provisions and the procedure prescribed in document entitled "Assumptions and Understandings Pertaining to Entitlements of Contractor's Personnel and the Method of Handling Financial Obligations of Such Employees at Forward Base of Operations." Said document is on file with the parties hereto and is incorporated herein by reference.

d. Time Computations For Payment Purposes: For payment purposes, the time spent in the performance of services hereunder will be determined in accordance with the provisions of Clause 20 of the General Provisions and the provisions of this Schedule. Employees will be subject to the same daily hours of duty as the command to which they are assigned. However, if required, the employees will be subject to duty seven (7) days per week, twenty-four (24) hours per day.

e. Vacation Leave: Each contract technical services employee shall be granted three (3) calendar weeks leave in the United States for each 12 months overseas. In the event of employment for less than twelve months, or a few months extension of the aforementioned period the Contractor shall earn vacation leave at the rate of 1.75 days for each full month of service. In the event of contract renewals or contracts with new employees after 1 July 1957 the technical services employee shall be granted two (2) calendar weeks leave in the United States for each 12 months overseas. An employee will not normally be eligible for vacation leave until completion of twelve months service overseas. Thereafter vacation leave will be granted subject to operational requirements at the discretion of the Team Supervisor or other person designated by the Contractor and with the approval of the Commanding Officer. In the event of employment for less than twelve months, or a few months extension of the aforementioned period the Contractor shall earn vacation leave at the rate of 1.167 days for each full month of service. Reimbursement will be made at the applicable Overseas Service rate specified in Part II(a)(1) hereof, while the employee is on the vacation leave provided above. Vacation leave may be taken overseas rather than in the United States if so requested by the Technical service employee and if mutually agreeable to the Government and the Contractor.

f. Sick Leave: Each contract technical services employee shall be entitled to sick leave benefits in accordance with the plan for sick leave benefits as presently in effect for salaried employees of the Contractor in Inglewood, California. Short term illnesses will be administered locally in the field. In the event of a prolonged illness, the employee should be replaced and returned to the U.S.

g. Local Leave: Each contract technical services employee while outside the continental limits of the United States shall receive eight and one-half (8½) days local leave per month of employment. Such local leave will be granted subject to operational requirements at the sole discretion of the Team Supervisor or other person designated by the Contractor. Unused local leave shall accrue to a maximum of twenty (20) days during the 12 month term of employment. Unused local leave remaining on completion of employment because the time could not be made available will be reimbursed at the appropriate man day rate specified in Part II(a)(2).

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Contract shall at all reasonable times be subject to inspection and audit when and to the extent authorized by the Contracting Officer.

(b) The Contractor agrees to include in each of his subcontracts hereunder which is on a cost or a cost-plus-a-fixed fee or a price redetermination basis, or on a time-and-material or labor-hour basis, provision for such audit of such subcontracts by the Contractor and/or the Government. The Contractor shall conduct an audit of any such subcontract when requested to do so by the Contracting Officer.

(b) Clause 17 hereinabove is hereby deleted in its entirety and in lieu thereof substitute the following:

"17. EXAMINATION OF RECORDS

The Contractor agrees that the Contracting Officer or any of his duly authorized representatives shall, until the expiration of three years after final payment under this contract, have access to and the right to examine any directly pertinent books, documents, papers and records of the Contractor involving transactions related to this contract, including subcontracts hereunder."

(c) Clause 19 hereinabove is amended by deleting the words and figures "PART II" in the first line thereof, and substitute the words and figures, "PART I."

(d) Subparagraph (a) under Clause 21 hereinabove is hereby deleted in its entirety and in lieu thereof substitute the following:

"(a) Suitable transportation for Contractor personnel and their baggage and for any equipment to be furnished by the Contractor hereunder from the Contractor's plant to the site or sites of work, at any site of work while on official business, between sites of work, and return to the plant of the Contractor. In the event of failure by the Government to furnish suitable transportation at the time of orders, the Contractor shall furnish such transportation, and the Government will reimburse the Contractor for such transportation in accordance with the provisions of Part II of the Schedule."


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SCHEDULEPART I - SERVICES TO BE FURNISHED

a. General: The Contractor shall, during the period set forth in Part III of the Schedule, furnish and supply to the Government all field engineering, and technical representatives labor necessary for the field support and evaluation of special electronic Systems One, Two, Three, and Four. Such support will include in-plant evaluation tests, operations at local test sites, and overseas operations. The estimated services required are as follows:

CUSTOMER NO. 1

<u>System</u>	<u>Type Service</u>	<u>Period</u>	<u>Man Months Overseas</u>
1 & 3	Engineer & MTS	1 Jan. - 31 Dec. 56	
	Engineer & MTS	1 Jan. - 30 Jun. 57	
	Engineer	1 July - 30 Dec. 57	
	Technicians	1 Jan. - 31 Dec. 56	
		1 Jan. - 30 Jun. 57	
		1 July - 31 Dec. 57	
4	Engineer & MTS	1 Jan. - 31 Dec. 56	
	Engineer & MTS	1 Jan. - 30 Jun. 57	
	Engineer	1 July - 31 Dec. 57	
	Technicians	1 Jan. - 31 Dec. 56	
		1 Jan. - 30 Jun. 57	
2	Services charged cover all work performed on this System prior to 1 April 1957. Subsequent charges are to be assessed against Customer No. 2.		

CUSTOMER NO. 2

Services to be rendered cover any work performed for this customer after 1 April 1957 (particularly, System II). It further includes charges for work performed during Fiscal 1958 until a separate contract is negotiated with another activity. Contractor to furnish a statement of dollars expended to 30 June 1957 for this customer and from 1 July 1957 until another contract is negotiated.

b. Assignment of Personnel: The assignment of contract technical services personnel to a designated place and the effective date of said assignment will be made by mutual agreement between the parties hereto. The assignment will be substantiated by the execution of an Agreement of Employment and shall be in a form mutually agreeable to the Government and the Contractor.

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c. Transportation: Transportation provisions are set forth in clause 21(a) of the General Provisions.

d. Supervision: Contract technical services personnel shall at all times be recognized as employees of the Contractor and under his administrative control. However, the Contractor and contractor personnel shall, in the performance of services hereunder, be guided by and comply with the directions and requirements of the Project Base Commander or his authorized representative, under whose authority said services shall be performed in a satisfactory manner.

e. Reports: Contractor personnel shall keep the Contractor fully informed as to maintenance problems by suitable internal reports. Upon request of the Contracting Officer the Contractor will furnish summary reports regarding maintenance problems to such person(s) as are designated by the Contracting Officer.

f. Privileges: Assigned contract technical services personnel will be given certain privileges to the extent authorized other individuals assigned to a Project Base including but not limited to the following:

- (1) Necessary medical and dental care for the Contractor's personnel at no charge to the Contractor in the event that commercial medical or dental facilities are not available to the Contractor's personnel.
- (2) The Government will supply to the Contractor's personnel performing services under this contract suitable quarters and rations during the time they are required to remain on duty at no cost to the Contractor or the Contractor's personnel. In the event suitable Government quarters and rations are not furnished, Contractor's personnel will be paid a reasonable per diem allowance directly by the Government.
- (3) Provisions concerning vacation, local, sick and emergency leave are set forth in Part II of the Schedule.

g. Replacement of Personnel: The Contractor shall furnish a contract technical services employee, as mutually agreed upon between the parties hereto, during the vacation or emergency leave period of the

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regularly assigned employee if requested by the Government, or if the regularly assigned employee becomes incapacitated, dies or otherwise is unable to complete performance hereunder. Replacement personnel shall be reimbursed at the applicable rate as set forth in Part II.

PART II - CONSIDERATION AND PAYMENT

a. Contract Price: The Government shall pay the Contractor, in accordance with Clause 4 of the General Provisions upon satisfactory performance of this contract, and upon the submission of properly certified invoices or vouchers therefor, as full payment for the services to be supplied by the Contractor hereunder, as follows:

(1) Overseas Service Rates

(a) Period - 1 July - 31 December 1956

	Type Service	Rate/Man month
25X1A	Engineer	
	Technician	

(b) Period - 1 January - 30 June 1957

	Type Service	Rate/Man month
25X1A	Engineer	
	Technician	
	Field Engineering Supervisors and Research and Development MTS	

(c) Period - 1 July - 31 December 1957

	Type Service	Rate/Man month
25X1A	Engineer	
	Technician	
	Field Engineering Supervisors and Research and Development MTS	

(2) Man-day rate to be paid for unused local leave:

	Type Service	Rate/Man day
25X1A	Engineer	
	Technician	
	MTS	

(3) Transportation:

Reimbursement for the cost of approved transportation furnished by the Contractor in accordance with the provisions of this contract.

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25X1A

b. Amount Allocated to Contract: There has been allotted for this contract the total amount of [REDACTED] for the period 1 July 1956 through 30 June 1957, and [REDACTED] for the period 1 July 1957 through 31 December 1957. If, at any time, the Contractor has reason to believe that by reason of the performance by it of this contract the amount due to it will exceed the sum allotted to this contract, it shall notify the Contracting Officer to that effect. Notwithstanding any other provision of this contract, the Contractor shall not be obligated to furnish any services pursuant to this contract if, in the best judgment of the Contractor, the cost of such services will exceed the amount then allotted to this contract. The Government shall not be obligated to pay the Contractor under this contract any amount in excess of the sum allotted.

c. Processing Of Invoices For Payment: Invoices shall be submitted and processed for payment in accordance with Clause 4 of the General Provisions and the procedure prescribed in document entitled "Assumptions and Understandings Pertaining to Entitlements of Contractor's Personnel and the Method of Handling Financial Obligations of Such Employees at Forward Base of Operations". Said document is on file with the parties hereto and is incorporated herein by reference.

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f. Sick Leave: Each contract technical services employee shall be entitled to sick leave benefits in accordance with the plan for sick leave benefits as presently in effect for salaried employees of the Contractor in Inglewood, California. Short term illnesses will be administered locally in the field. In the event of a prolonged illness, the employee should be replaced and returned to the U. S.

g. Local Leave: Each contract technical services employee while outside the continental limits of the United States shall receive eight and one-half (8½) days local leave per month of employment. Such local leave will be granted subject to operational requirements at the sole discretion of the Team Supervisor or other person designated by the Contractor. Unused local leave shall accrue to a maximum of twenty (20) days during the 12 month term of employment. Unused local leave remaining on completion of employment because the time could not be made available will be reimbursed at the appropriate man day rate specified in Part II (a)(2).

contract shall at all reasonable times be subject to inspection and audit when and to the extent authorized by the Contracting Officer.

(b) The Contractor agrees to include in each of his subcontracts hereunder which is on a cost or a cost-plus-a-fixed fee or a price redetermination basis, or on a time-and-material or labor-hour basis, provision for such audit of such subcontracts by the Contractor. ^{and} The Contractor shall conduct an audit of any such subcontract when requested to do so by the Contracting Officer.

(b) Clause 17 hereinabove is hereby deleted in its entirety and in lieu thereof substitute the following:

"17. EXAMINATION OF RECORDS

The Contractor agrees that the Contracting Officer or any of his duly authorized representatives shall, until the expiration of three years after final payment under this contract, have access to and the right to examine any directly pertinent books, documents, papers and records of the Contractor involving transactions related to this contract, including subcontracts hereunder.

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